

April 14, 2010

ITEM NO. B2

**AUTHORIZATION TO EXECUTE CONTRACT WITH KNICKERBOCKER
ROOFING AND PAVING CO., INC. FOR ROOF REPLACEMENT WORK
AT WENTWORTH ANNEX (IL2-032)**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract with Knickerbocker Roofing and Paving Co., Inc. in the amount of \$441,689.00 for the roof replacement work at Wentworth Annex (IL2-032). This work will be performed on fifty-eight (58) units located across sixteen (16) buildings. It is to be completed within one hundred five (105) calendar days from the date set forth in the Notice to Proceed.

RECOMMENDATION SUMMARY

Funding: General Fund and Non-Federal funds

Vendor: Knickerbocker Roofing and Paving Co., Inc.
16581 So. Lathrop Ave.
Harvey, IL 60426
Contract Type: Construction
Contract Amount: \$441,689.00
Contract Time: One hundred five (105) calendar days from the date set forth in the Notice to Proceed

M/W/DBE Participation:

Direct MBE 30 % WBE _____ % DBE _____ %
Indirect MBE _____ % WBE _____ % DBE _____ %
Waiver _____ (Yes/No)

Section 3:

Hiring # 1 Subcontracting \$ _____ Other Economic Opportunities \$ _____

GENERAL BACKGROUND

In Fall 2009, as part of the Capital Improvement Program, the Chicago Housing Authority (CHA) executed Indefinite Delivery Indefinite Quantity Task Orders with two (2) general contractors for the full rehabilitation of selected duplex units at Wentworth Annex (IL2-032). The solicitations were to modernize fourteen (14) units of low-income public housing at the 42nd and Root Street properties known as Wentworth Gardens Annex.

Both general contractors proceeded with the modernization according to their respective schedules until issues arose regarding the repair and replacement of portions of continuous roofs covering the various buildings housing the units, some of which are not owned by the CHA. The roof repairs to be performed by the two (2) general contractors were to be exclusively performed over units owned by the CHA. However, the CHA's units are interspersed with units under private ownership,

Subsequently, the two (2) general contractors were informed by the roofing manufacturer that the roof repair work would not meet the warranty requirements of the CHA's technical specifications if they did not repair the entire roofs of each affected building (including the portions of the contiguous roofs over the interspersed units not owned by the CHA). In a joint meeting, the CHA, the Homeowners Association, residents and the Alderman agreed that the roofs for all sixteen (16) buildings (covering CHA and non-CHA units) should be replaced regardless of whether they are CHA or privately owned. Non-Federal funding will be tapped for the roof work to be performed over the privately owned units.

PROCUREMENT HISTORY

Due to exigent circumstances to minimize delays and damage from roof leaks to the units undergoing renovation, the Capital Construction Department (CCD) requested cost proposals for a separate contract for roof replacements from several roofing contractor specialists the CHA has done business with in the past. CCD received two (2) proposals, with the proposal from Knickerbocker Roofing and Paving Co., Inc. (Knickerbocker) being significantly less than the other proposal to do all of the work for the roof repairs. CCD staff then negotiated with Knickerbocker to arrive at a final cost proposal of \$441,689.00, which is less than the independent cost estimate for the roof repairs. This amount covers the cost to replace the roofs over the multiple CHA owned locations in Wentworth Annex and the contiguous privately owned units.

The cost will be partially offset by removing the roof work from the two (2) general contractors' contracts through deductive change orders, which amount would then be applied to the new contract with Knickerbocker. Non-federal funds will initially be used to fund the roof replacements over the privately owned units. However, CCD staff will work with the Alderman and the City of Chicago to seek reimbursement for this portion of the work from City funds.

Based on the forgoing, it is in the CHA's best interest that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract with Knickerbocker Roofing and Paving Co., Inc. in the amount of \$441,689.00 for the roof replacement work at Wentworth Annex (IL2-032). This work will be performed for fifty-eight (58) units located across sixteen (16) buildings. It is to be completed within one hundred five (105) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

RESOLUTION NO. 2010-CHA-43

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated April 14, 2010 entitled “AUTHORIZATION TO EXECUTE CONTRACT WITH KNICKERBOCKER ROOFING AND PAVING CO., INC. FOR ROOF REPLACEMENT WORK AT WENTWORTH ANNEX (IL2-032)”;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT that the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute a contract with Knickerbocker Roofing and Paving Co., Inc. in the amount of \$441,689.00 for the roof replacement work at Wentworth Annex (IL2-032). This work will be performed for fifty-eight (58) units located across sixteen (16) buildings. It is to be completed within one hundred five (105) calendar days from the date set forth in the Notice to Proceed.

This award is subject to the Contractor’s compliance with the CHA’s MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

